

## **REMARKS**

Claims 11, 12, 29, 30, 47, and 48 are cancelled; thus, claims 1-10, 13-28, 31-46, and 49-54 are all the claims pending in the application. Claims 1-54 stand rejected on prior art grounds. Claims 15-18 stand rejected upon informalities. Applicants respectfully traverse these rejections based on the following discussion.

### **I. The 35 U.S.C. §112, Second Paragraph, Rejection**

Claims 15-18 stand rejected under 35 U.S.C. §112, second paragraph. More specifically, the Office Action asserts that “[t]here is insufficient antecedent basis” for “the sell orders” and “the buy orders”.

Applicants have amended claims 15 and 17 to replace “the sell orders” and “the resident sell orders” with “sell orders” and “resident sell orders”, respectively. Moreover, claims 16 and 18 have been amended to replace “the buy orders” and “the resident buy orders” with “buy orders” and “resident buy orders”, respectively. In view of the foregoing, the Examiner is respectfully requested to reconsider and withdraw this rejection.

### **II. The Prior Art Rejections**

Claims 1-5, 7, 19-23, 25, 37-41, and 43 stand rejected under 35 U.S.C. §102(e) as being anticipated by Pool, et al. (U.S. Patent No. 6,460,020), hereinafter referred to as Pool. Claims 6, 24, and 42 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Pool. Claims 8-18, 26-36, and 44-54 stand rejected under 35 U.S.C. §103(a) as

being unpatentable over Pool, in view of Pathak (U.S. Publication No. 2002/0016760), hereinafter referred to as Pathak. Applicants respectfully traverse these rejections based on the following discussion.

The claimed invention provides a method for enabling the online determination of end-to-end costs while negotiating e-commerce transactions. The method maintains an updated online database of prices associated with each significant cost element relevant to goods or services involved in completing an e-commerce transaction. Moreover, the method determines the costs associated with each significant cost element by and aggregates all the costs to arrive at a total end-to-end cost for the e-commerce transaction.

In the rejection, the Office Action argues that the prior art of record discloses many features of the claimed invention. However, nothing within the prior art references teach or suggest determining a total end-to-end cost for an e-commerce transaction online, wherein the cost includes commission fees. In addition, the prior art references fail to disclose that the costs are provided by an online service. Instead, Pathak teaches that the seller is required to manually enter information regarding the costs. Therefore, as explained in greater detail below, Applicants respectfully submit that the prior art of record does not teach or suggest the claimed invention.

Applicants traverse the rejections because the prior art of record fails to teach the claimed features “wherein said cost element comprises commission fees”. Such features are defined in independent claims 1, 19, and 37 using identical language.

As described in paragraph 0003 of Applicants’ disclosure, despite the technological developments and the increasing popularity of the Internet as a medium for

doing commerce, much of the electronic commerce remains confined to localized geographical groups and within respective countries. This phenomenon is due to the fact that an end-to-end commerce transaction needs to take into account a large number of issues which are not adequately handled by the existing systems and models for electronic commerce. These include: (a) issues related to physical delivery like shipping cost, and (b) handling payment of various *commissions*, fees, duties and taxes that may be necessary.

To the contrary, nothing within the prior art references teach or suggest determining a total end-to-end cost for an e-commerce transaction online, wherein the cost includes commission fees. The Office Action asserts that “Official notice is hereby taken that implementing an e-commerce method by a third party for a service fee is old and well known in the art” (Office Action, p. 4, para. 3). However, nothing within Pool mentions that the “service fee” is included as a cost element in an online determination of the total end-to-end cost for the e-commerce transaction.

Therefore, it is Applicants position that the prior art of record fails to teach or suggest the claimed feature “wherein said cost element comprises commission fees” as defined in independent claims 1, 19, and 37.

In addition, Applicants traverse the rejections because the prior art references fail to teach or suggest the claimed features “wherein said maintaining of said updated online database comprises utilizing an online service that provides information on said cost ... wherein a winning bid in said auction comprises a highest net payout to said seller after deduction of said total end-to-end cost, and wherein a winning offer in said reverse

auction comprises a lowest net cost to said buyer after addition of said total end-to-end cost”. Such features are defined in independent claims 1, 19, and 37 using identical language.

The Office Action argues that “Pathak teaches an online auction; reverse auction; two-sided matching markets; wherein the winning bid for the desired goods or services is selected on the basis of highest net payout to the seller after deduction of computed cost elements; minimum/maximum qualifying bid” (Office Action, p. 5, para 1). However, Pathak fails to disclose the claimed feature “wherein said maintaining of said updated online database comprises utilizing an online service that provides information on said cost”. Instead, Pathak discloses that “additional information such as ... shipping and handling, tax, etc. or any other cost related to the trade” is specified by the seller, not an online service (See Pathak, claim 3.d., which recites “the seller specifies additional information such as ...”; and claim 3.f.iv., which recites “calculates the winning bids based on the bid amount and additional information provided by seller”).

Accordingly, Applicants submit that Pathak does not disclose that the costs are provided by an *online service*. Instead, Pathak teaches that the *seller* is required to manually enter information regarding the costs. Therefore, it is Applicants’ position that Pathak teaches away from the claimed features “wherein said maintaining of said updated online database comprises utilizing an online service that provides information on said cost ... wherein a winning bid in said auction comprises a highest net payout to said seller after deduction of said total end-to-end cost, and wherein a winning offer in said

reverse auction comprises a lowest net cost to said buyer after addition of said total end-to-end cost” as defined in independent claims 1, 19, and 37.

Therefore, it is Applicants’ position that the prior art of record does not teach or suggest many features defined by independent claims 1, 19, 37 and that such claims are patentable over the prior art of record. Further, it is Applicants’ position that dependent claims 2-10, 13-18, 20-28, 31-36, 38-46, and 49-54 are similarly patentable, not only because of their dependency from a patentable independent claims, but also because of the additional features of the invention they defined. In view of the foregoing, the Examiner is respectfully requested to reconsider and withdraw the rejections.

## **II. Formal Matters and Conclusion**

In view of the foregoing, Applicants submit that claims 1-10, 13-28, 31-46, and 49-54, all the claims presently pending in the application, are patentably distinct from the prior art of record and are in condition for allowance. The Examiner is respectfully requested to pass the above application to issue at the earliest possible time.

Should the Examiner find the application to be other than in condition for allowance, the Examiner is requested to contact the undersigned at the local telephone number listed below to discuss any other changes deemed necessary. Please charge any deficiencies and credit any overpayments to Attorney's Deposit Account Number 09-0441.

Respectfully submitted,

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